

07-3

FCC/MELLON

JAN 03 2007

STAMP  
AND  
RETURN

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

Approved by CCH  
30604589  
Page: 1 of 1

(1) LOCKBOX # 358145		FCC/MELLON JAN 03 2007			
SECTION A - PAYER INFORMATION					
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) CENTURYTEL, INC.			(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00		
(4) STREET ADDRESS LINE NO. 1 555 ELEVENTH STREET, NW.					
(5) STREET ADDRESS LINE NO. 2 SUITE 1000					
(6) CITY WASHINGTON			(7) STATE DC	(8) ZIP CODE 20004-1304	
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-637-2200			(10) COUNTRY CODE (if not in U.S.A.)		
FCC REGISTRATION NUMBER (FIR) REQUIRED					
(11) PAYER (FIR) 0005098520					
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 155-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(12) APPLICANT NAME					
(13) STREET ADDRESS LINE NO. 1					
(14) STREET ADDRESS LINE NO. 2					
(15) CITY			(16) STATE	(17) ZIP CODE	
(18) DAYTIME TELEPHONE NUMBER (include area code)			(19) COUNTRY CODE (if not in U.S.A.)		
FCC REGISTRATION NUMBER (FIR) REQUIRED					
(20) APPLICANT (FIR)					
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(21A) CALL SIGN/OTHER ID		(21B) PAYMENT TYPE CODE CUT		(21C) QUANTITY 1	
(22A) FEE DUE FOR (PTC) \$965.00		(22B) TOTAL FEE \$965.00			
(23A) FCC CODE 1		(23B) FCC CODE 2			
(24A) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE		(24C) QUANTITY	
(25A) FEE DUE FOR (PTC)		(25B) TOTAL FEE			
(26A) FCC CODE 1		(26B) FCC CODE 2			
SECTION D - CERTIFICATION					
CERTIFICATION STATEMENT I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.					
SIGNATURE _____			DATE _____		
SECTION E - CREDIT CARD PAYMENT INFORMATION					
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____					
ACCOUNT NUMBER _____			EXPIRATION DATE _____		
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.					
SIGNATURE _____			DATE _____		

 **COPY**

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

Application of  
  
Madison River Communications Corp. and  
  
Madison River Telephone Company, LLC,  
  
Transferors,  
  
and  
  
CenturyTel, Inc.,  
  
Transferee,  
  
For Consent for Transfer of Control

WC Docket No. \_\_\_\_\_

**APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL**

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04, Madison River Communications Corp. ("Madison River Corp.") and Madison River Telephone Company, LLC ("Madison River LLC") (together, the "Transferors") and CenturyTel, Inc. ("CenturyTel" and together with the Transferors, "the Applicants"), hereby apply for Commission consent to transfer control of Commission licensees, which will result from CenturyTel's proposed acquisition of 100 percent of the stock of Madison River Corp. from Madison River LLC. Madison River Corp. is a holding company, which provides local exchange, exchange access, and long-distance telecommunications services through the following companies pursuant to Section 214 of the Act: Coastal Utilities, Inc. ("Coastal"), Coastal Long Distance Services LLC ("Coastal LD"), Gallatin River Communications LLC

("Gallatin River"), Gulf Telephone Company ("GulfTel"), Gulf Long Distance LLC ("Gulf LD"), Mebtel, Inc. ("Mebtel"), Mebtel Long Distance Solutions LLC ("Mebtel LD"), Madison River Long Distance Solutions LLC ("Madison River LD"), and Madison River Communications, LLC (together, the "Madison River Companies").

The proposed transaction contemplates a parent-level transfer of equity involving two holding companies that, through their subsidiaries, serve fewer than two percent of the nation's access lines. None of the companies' local exchange service territories overlap, and there are no adjacent service territories. None of the local exchange areas currently served by CenturyTel overlap with any of the local exchange areas currently served by the Madison River Companies, and there are no adjacent territories. The proposed transferee, CenturyTel, is the seventh largest telephone holding company in the United States, with operating companies that have a consistent track-record of providing high-quality telecommunications and advanced services to rural and small-to-midsize cities in 25 states. The Madison River Companies will continue to provide service at substantially the same rates, terms and conditions as are in effect today. Therefore, the proposed transaction will be largely transparent to customers of the Madison River Companies. For these reasons, and for the reasons detailed below, the transaction will serve the public interest and the Commission should grant this application on a streamlined basis.

In accordance with the requirements of Section 63.04 of the Commission's rules, the Applicants provide the following information:

**(1) Name, address, and telephone number of each applicant.**

**Transferors:**

Madison River Telephone Company, LLC  
Madison River Communications Corp.

103 South Fifth Street – P.O. Box 430  
Mebane, NC 27302  
919-563-1500

**Transferee:**

CenturyTel, Inc.  
P.O. Box 4065; 100 CenturyTel Drive  
Monroe, Louisiana 71211-4065  
Phone: (318) 388-9539

**(2) State under the laws of which each applicant is organized.**

CenturyTel, Inc. is a corporation organized under the laws of Louisiana. Madison River LLC is a limited liability company and Madison River Corp. is a corporation. Both are organized under the laws of Delaware.

**(3) Legal counsel to whom correspondence concerning the application is to be addressed.**

**For Transferors:**

Sylvia Lesse  
Communications Advisory Counsel, LLC  
2154 Wisconsin Avenue  
Washington, DC 20007  
(202) 333-5273

**For Transferee:**

Karen Brinkmann  
Jeffrey A. Marks  
Latham & Watkins LLP  
555 Eleventh Street, N.W.  
Suite 1000  
Washington, DC 20004  
(202) 637-2200

**(4) Name, address, citizenship, and principal business of entities that own at least 10 percent of the equity of the applicants (to the nearest 1 percent).**

**For Transferors:**

The following companies own at least 10 percent of Madison River LLC and Madison River Corp., directly or indirectly:

Name: Madison River Telephone Company, LLC  
Address: 103 South Fifth Street – P.O. Box 430  
Mebane, NC 27302  
Business: Telecommunications  
Citizenship: U.S.A.  
Equity: 100% of Madison River Corp.

Name: Madison Dearborn Capital Partners II, LP (and its funds)  
Address: c/o Madison Dearborn Partners  
Three First National Bank Plaza  
Suite 1330  
Chicago, Illinois 60602  
Business: Investment Firm  
Citizenship: U.S.A.  
Equity: 36.9% of Madison River LLC

Name: Goldman Sachs & Co. (and its funds)  
Address: 85 Broad Street  
19th floor  
New York, New York 10004  
Business: Investment Firm  
Citizenship: U.S.A.  
Equity: 30.8% of Madison River LLC

Name: Providence Equity Partners LP (and its funds)  
Address: c/o Providence Equity  
50 Kennedy Plaza, Suite 901  
Providence, Rhode Island 02903  
Business: Investment Firm  
Citizenship: U.S.A.  
Equity: 20.3% Madison River LLC

Goldman Sachs & Co. is a publicly-held corporation; both Madison Dearborn Capital Partners II, LP and Providence Equity Partners LP are privately-held investment companies. None of these three companies exercises control over Madison River LLC. Madison

River LLC (as listed above) owns 100% of the issued and outstanding stock of Madison River Corp. No other person or entity (including the equity owners of the above-named entities) owns a 10% or more direct or indirect interest in Madison River LLC or Madison River Corp.

**For Transferee:**

CenturyTel is a publicly traded company, of which no person or entity owns 10 percent or more of the equity.

**(5) Certification pursuant to sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits.**

By their signatures below, the Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

**(6) Description of the transaction.**

On December 17, 2006, CenturyTel entered into a Stock Purchase Agreement (the "Agreement") with Madison River LLC and Madison River Corp. Pursuant to the Agreement, CenturyTel will acquire from Madison River LLC a 100 percent equity interest in Madison River Corp. for combined cash and debt of \$830 Million. This parent-level stock transfer will effect an indirect transfer of control of the Madison River Companies (each Commission licensees) from Madison River LLC to CenturyTel. A post-transaction corporate organizational chart is attached as Exhibit A.

**(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.**

The Madison River Companies provide local exchange, exchange access, long-distance broadband Internet access and other advanced services throughout Alabama, Georgia, Illinois and North Carolina. Each of Coastal (serving southeastern Georgia), Gallatin River

(serving central Illinois), GulfTel (serving the Gulf Coast of Alabama), and Mebtel (serving central North Carolina) is a rural incumbent local exchange carrier. The Madison River Companies are known for their focus on broadband, with 99 percent broadband coverage in their local exchange territories, and a 30 percent average broadband penetration rate. Madison River LD, Coastal LD, Gulf LD, Madison River Communications, LLC and Mebtel LD<sup>1</sup> provide interstate and international long-distance services predominantly throughout these ILEC study areas and in Florida. The Madison River Companies currently serve approximately 184,000 access lines and approximately 110,000 interstate long-distance customers..

CenturyTel, Inc. is a corporate holding company, which, through its subsidiaries, provides local exchange, exchange access, long-distance, wireless, broadband Internet access and other advanced services as both an ILEC and CLEC in 25 states, including Alabama (ILEC and CLEC) and Illinois (CLEC only). CenturyTel's local exchange service areas include rural communities and small-to-midsize cities. CenturyTel currently serves approximately 2.1 million access lines and 1.2 million long-distance customers. None of the local exchange areas currently served by CenturyTel overlap with any of the local exchange areas currently served by the Madison River Companies, and there are no adjacent territories.

**(8) Statement on how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.**

This application is eligible for presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules, or in the alternative, is otherwise appropriate for streamlined treatment.

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<sup>1</sup> Madison River Communications, LLC and Mebtel LD provide international services pursuant to International 214 authority held by Madison River Corp.

Under Section 63.03(b)(2)(iii), the Commission's streamlined procedures are presumed to apply where "the applicants are incumbent independent local exchange carriers . . . that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."<sup>2</sup> CenturyTel and Madison River Corp. (through their affiliates) are incumbent local exchange carriers, each of which serve fewer than two-percent of the nation's subscriber lines. Combined, the two companies will continue to fall below this two-percent threshold. In addition, none of the service areas in which these companies operate overlap, and there are no adjacent service territories. Accordingly, the proposed transaction falls within this presumptively streamlined category.

Alternatively, streamlined treatment is appropriate under the Commission's "case-by-case approach."<sup>3</sup> Indeed, the Commission has adopted a "general rule in which all applications are eligible for streamlined processing," finding that such general eligibility for streamlined processing "best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that we continue to serve the public interest under section 214 of the Communications Act."<sup>4</sup>

This application should be subject to streamlined processing because it involves a parent-level transfer of equity interests, and presents no "novel questions of fact, law, or policy which cannot be resolved under outstanding precedents and guidelines."<sup>5</sup> As noted above (and discussed more fully below), this application presents no competitive or public interest concerns.

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<sup>2</sup> 47 C.F.R. § 63.03(b)(2)(iii).

<sup>3</sup> *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517 ¶ 34 (2002) ("*Streamlining Order*"); see also 47 C.F.R. § 63.03(a) (permitting streamlining "[u]pon determination . . . that the application is appropriate for streamlined treatment").

<sup>4</sup> *Streamlining Order* ¶ 34.

<sup>5</sup> *Id.* ¶ 28.



Upon completion of the proposed transaction, the Madison River Companies will continue to provide service at substantially the same rates, terms and conditions as are in effect today. No customer will lose service or be adversely affected as a result of the proposed transaction. Because this transaction poses no competitive concerns and raises no novel issues, this application is appropriate for streamlined treatment.

**(9) Identification of all other Commission applications related to the same transaction.**

The Applicants are separately filing applications seeking approval for transfer of control related to various international section 214 authorizations and Title III licenses held by the Madison River Companies.

**(10) Statement whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.**

The Applicants are not requesting special consideration of the application.

**(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.**

The Applicants do not seek any waivers from the Commission in conjunction with this transaction.

**(12) A statement showing how grant of the application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.**

The proposed transaction will serve the public interest because it will provide benefits to customers of the Madison River Companies without any countervailing harms. The transferee, CenturyTel, is a respected provider of telecommunications services and advanced services in 25 states. CenturyTel brings a proven track record for customer service and provisioning high-quality telecommunications and advanced services to the Madison River

Companies' territories. CenturyTel has built that track record serving communities with similar characteristics to those served by the Madison River Companies, and with a similar emphasis on investment in broadband and other advanced services. Thus, CenturyTel is uniquely qualified to manage the Madison River Companies as part of the CenturyTel family of companies.

The proposed transaction will benefit customers of *both* the Madison River Companies and CenturyTel. CenturyTel is a financially strong company that will further expand its scope of services with the acquisition of the Madison River Companies. Moreover, as part of the transaction, CenturyTel will gain access to Madison River Corp.'s 2,400 route-mile fiber network, which CenturyTel will use company-wide to enhance service to *all* customers served by the combined company.

In contrast to the substantial potential benefits, the proposed transaction poses no countervailing harms. The proposed transaction contemplates only a change of equity ownership at the parent company level. Upon consummation of the proposed transaction, the Madison River Companies will continue to provide service at substantially the same rates, terms and conditions as are in effect today. There will be no reduction, impairment, or discontinuance of service to any customer as a result of the proposed transaction. Because of this, the proposed transaction will be largely transparent to the Madison River Companies' current customers.

For all of the foregoing reasons, the proposed transaction will serve the public interest and this application should be granted on a streamlined basis.

\* \* \*

Payment in the amount of \$965.00, along with FCC Form 159, was transmitted to the Federal Communications Commission, Wireline Competition Services CPD214Appls., P.O. Box 358145, Pittsburgh, PA 15251-5145 for delivery this date.

An original and 5 copies of this Application are enclosed for filing. To acknowledge receipt, please stamp and return one copy of this Application enclosed for that purpose. Please contact the undersigned with any inquiries concerning this Application.

Respectfully submitted,



Michael T. Skrivan  
Managing Director - Revenues  
MADISON RIVER TELEPHONE COMPANY, LLC  
MADISON RIVER COMMUNICATIONS CORP.  
103 South Fifth Street - P.O. Box 430  
Mebane, NC 27302  
Phone: (919) 563-1500

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Stacey W. Goff  
Senior Vice President, General Counsel, and  
Secretary  
CENTURYTEL, INC.  
P.O. Box 4065; 100 CenturyTel Drive  
Monroe, LA 71211-4065  
Phone: (318) 388-9539

Dated: January 3, 2007

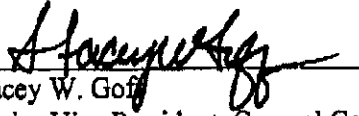
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Michael T. Skrivan  
Managing Director - Revenues  
MADISON RIVER TELEPHONE COMPANY, LLC  
MADISON RIVER COMMUNICATIONS CORP.  
103 South Fifth Street - P.O. Box 430  
Mebane, NC 27302  
Phone: (919) 563-1500



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Stacey W. Goff  
Senior Vice President, General Counsel, and  
Secretary  
CENTURYTEL, INC.  
P.O. Box 4065; 100 CenturyTel Drive  
Monroe, LA 71211-4065  
Phone: (318) 388-9539

Dated: January 3, 2007

**EXHIBIT A**

**POST-TRANSACTION ORGANIZATIONAL CHART**

# Madison River Corporate Organizational Chart

## Post Transaction

*NOTE: All ownership percentages equal 100% unless specified*

